


APRIL 13, 2016

MECOSTA COUNTY EQUALIZATION

JANUARY 1 - DECEMBER 31, 2015

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Message from the Director

The Mecosta County Equalization Department has completed its review of the 2016 Assessment rolls of the sixteen (16) Townships and one (1) City of Mecosta County. The 2016 Mecosta County Equalization Report prepared by the Mecosta County Equalization Department is submitted for approval and adoption.

The recommended County Equalization Value for 2016 is 1,486,254,241. This value is a combination of 1,390,282,441 of Real Property and 95,971,800 of Personal Property.

Respectfully Submitted

Shila Kiander

Shila Kiander, MAAO 3
Equalization Director

Mecosta County Assessing Officers

Assessing Jurisdiction

Aetna Township
Austin Township
Big Rapids Township
Chippewa Township
Colfax Township
Deerfield Township
Fork Township
Grant Township
Green Township
Hinton Township
Martiny Township
Mecosta Township
Millbrook Township
Morton Township
Sheridan Township
Wheatland Township
City of Big Rapids

Assessing officer

Kenn Vredenburg, MCAO
Kenn Vredenburg, MCAO
David Kirwin, MCAO
Earl Spalo, MCAO
Seth Lattimore, MCAO
Ruth Chapman, MAAO
Debby Nederhood, MCAO
Dan Kirwin, MAAO
Earl Spalo, MCAO
Charles Lucas, MCAO
Ruth Chapman, MAAO
Michelle Graham, MCAO
Charles Lucas, MCAO
Lisa Finch, MAAO
Gail Dolbee, MAAO
Seth Lattimore, MCAO
Dan Kirwin MAAO

Equalization Department

Shila Kiander, MAAO
Director

Chris Jamieson, MCAO
Deputy Director

Amanda Wethington, MCAT
Secretary

Allison Langworthy, MCAT
Secretary

Core Services

Equalization Studies	Appraisal of property, Sale verification
Study Results Reports	Compilations of study results to local units, Board of Commissioners, STC Annual February Publication of ratios and factors for the county
Equalization By BOC L-4024	Final reporting of local unit audited MBOR Assessed Value
Headlee MRF Calculation L-4028 & L-4028IC	Assembles all data to compute Millage Reduction Fraction for each taxing Authority
Taxable Value Report L-4046	Assemble and report PRE and NON-PRE and total taxable value
Apportionment Report L-4402	Compile and examine millage request reports of all taxing jurisdictions that levy in Mecosta County. Report list of requested millage rates to Mecosta County Board of Commissioners for approval and report to the Michigan State Tax Commission.

Department Mandate

As mandated in the Constitution of Michigan of 1963 Article 9 sec. 3 states in part “The legislature shall provide for the uniform general ad valorem taxation of real and tangible personal property not exempt by law except for taxes levied for school operation purposes. The legislature shall provide for the determination of true cash value of such property; the proportion of true cash value at which such property shall be uniformly assessed, which shall not, after January 1, 1966, exceed 50 percent; and for a system of equalization of assessments.”

Michigan Compiled Law 211.34 expands on this.

The County Board of Commissioners shall establish and maintain a department to survey assessments and assist the board of commissioners in the matter of equalization of assessments. Additionally, the County Board of Commissioners through the department, may furnish assistance to local assessing officers in the performance of duties imposed upon those offices by this act.

The Equalization Department’s function is to measure the level of assessment in each of the 7 property classifications in each of the 16 townships, and 1 city to determine if the average level of assessment in each class of property is at the constitutionally required level of 50 percent. This is accomplished through the annual sales and appraisal study process.

Equalization Report

How we get there.

1. Recorded real estate documents are reviewed and qualified as arms-length or not.
2. Documents are mapped and data entered.
3. Sales are sorted by property class and are reviewed and verified
4. Sample selection for appraisal studies created.
5. Field inspections and interviews begin.
6. Sales analysis and appraisals are completed and reporting begins.

Number of Sales in 2 year Residential sales studies

Number of Residential Arms Length Sales			
Year	2014	2015	% change
Number	1003	1169	16.5%

Number of Sales in 2 year Commercial sales studies

Number of Commercial Arms Length Sales			
Year	2014	2015	% change
Number	20	12	-60%

(sales study used for 2 local units in prior year and 1 local unit for current year)

Number of Appraisals and Sales Inspections in 2015

Property Class	Total Parcels	Appraisals	% Study
Agricultural	2,384	232	10%
Commercial	605	131	20%
Industrial	180	80	31%
COM/IND ECF		30	
COM/IND Vacant		14	
AG ECF		19	
AG Vacant		34	
Total	3,169	540	17%

Reports to Get There

The equalization studies are summarized on the below required reports and supplied to the appropriate local unit of government for their review and comments. After reconciling report data with the local unit the report is sent to the State Tax Commission as final with additional recap sheets of the entire county.

L-4015 - Sales Study

L-4015a - Appraisal Study Listing

L-4017 - Sales Ratio

L-4047 - Single Year Sales Ratio Study

L-4018- Analysis for Equalized Valuation

L -4023 - Analysis for Equalized Valuations

L- 3127 - Certification Recommended County Equalization Valuation by Equalization Director

L-4024 - Personal and Real Property Totals

Additional Annual Reports

Millage Reduction Fraction Calculations, MCL 211.34d

Millage reduction fractions are calculated by the Director of Equalization and communicated with all tax jurisdictions and the appropriate neighboring counties that may share a taxing jurisdiction i.e. School Districts, Libraries and Community Colleges etc. in late May for intra-county and inter-county by the first week of June. The Mecosta County Equalization Director is responsible for calculating roll back fractions for 27 taxing jurisdictions.

Mecosta County

16 Townships (*Aetna, Austin, Big Rapids, Chippewa, Colfax, Deerfield, Fork, Grant, Green, Hinton, Martiny, Mecosta, Millbrook, Morton, Sheridan, Wheatland*)

1 City (*City of Big Rapids*)

4 Villages (*Barryton, Mecosta, Morley, Stanwood*)

3 School Districts (*Big Rapids, Chippewa Hills, Morley Stanwood*)

1 ISD (*Mecosta Osceola ISD*)

1 Library (*Barryton*)

7 Other governmental units that cross county lines are calculated by the neighboring county. (*Ewart SD, Reed City SD, Montabella SD, Lakeview SD, Montcalm ISD, Montcalm CC, Tamarack Library*)

The summary reports of the millage roll back fractions are:

L-4028 - **Millage** Reduction Fraction **Calculation**

L-4028 IC - **Complete Millage** Reduction Fraction **Calculation**

Apportionment Report

In October the Apportionment Report is prepared for and presented to the Board of Commissioners detailing the millage being requested by all taxing jurisdictions for approval.

The Millage Request Report, L-4029 is to be delivered by the local clerks to the Mecosta County Clerk on or before September 30th. This information is compiled by the equalization department, reviewed for compliance and application of the millage reduction fraction and reported to the County Board of Commission as the L-4402 Apportionment Report at the October apportionment meeting.

Taxable Value Report

In June the taxable value report L-4046, is compiled by the Equalization Director and sent to the State Tax Commission. It is a summary of each local unit's taxable value as approved by their board of review and reported to the Equalization Department prior to May 1st. This information is shown below and will change only in the distribution of value between Principle and Non Principle exemptions. The total taxable will remain unchanged.

The table below shows the actual taxable value changes for a three year period: 2014, 2015 and 2016.

TAXABLE VALUE CHANGES 2014, 2015 & 2016					
Property Class	2014 TV	2015 TV	% Change 2014/2015	2016 TV	% Change 2015/2016
Agricultural	109,064,265	112,152,692	2.83%	113,200,006	0.93%
Commercial	129,387,032	129,932,727	0.42%	130,470,888	0.41%
Industrial	24,775,806	25,599,620	3.33%	35,753,997	39.67%
Residential	852,021,082	865,564,213	1.59%	874,786,489	1.07%
Total Real	1,115,248,185	1,133,249,252	1.61%	1,154,211,380	1.85%
Total Personal	113,649,934	113,585,300	-0.06%	95,939,069	-15.54%
Total Real & Personal	1,228,898,119	1,246,834,552	1.46%	1,250,150,449	0.27%

Summary of the 2015 Equalization Studies for the 2016 Equalization Report

The table below is a summary of state equalized values of previous years and the county equalized values for the current year. The table makes a comparison between years and lists the percent of change between each. As shown in the % change column the current year's values have slightly increased. The 2016 assessed value change of the county is a positive increase of 1.96%.

ASSESSED VALUE CHANGES 2014, 2015 & 2016					
Property Class	2014 SEV	2015 Assessed Value	% Change 2014/2015	2016 Assessed Value	% Change 2015/2016
Agricultural	171,039,902	182,362,400	6.62%	185,283,400	1.60%
Commercial	134,485,200	135,100,000	0.46%	136,335,350	0.91%
Industrial	26,475,500	27,095,500	2.34%	37,190,800	37.26%
Residential	965,662,175	999,498,585	3.50%	1,031,472,891	3.20%
Total Real	1,297,662,777	1,344,056,485	3.58%	1,390,282,441	3.44%
Total Personal	113,658,300	113,585,300	-0.06%	95,971,800	-15.51%
Total Real & Personal	1,411,321,077	1,457,641,785	3.28%	1,486,254,241	1.96%

Non-Mandated Services

Michigan Compiled Law also allows the Equalization Department to act in an advisory capacity to the local units and provide them with assessment related services including, production of assessment rolls, assessment change notices and personal property notices. The Equalization department provides assessment roll maintenance and mapping services for several of the local units within Mecosta County.

- **Parcel mapping** – The Equalization Department contracts with 14 townships to provide the tax maps as required by statute. (*Aetna, Austin, Chippewa, Colfax, Deerfield, Fork, Green, Hinton, Martiny, Mecosta, Millbrook, Morton, Sheridan & Wheatland*)
- **Assessment/Tax Roll Maintenance** – The Equalization Department contracts with 9 townships to provide the assessment and tax roll maintenance. This includes name, address and legal descriptions. (*Aetna, Austin, Chippewa, Fork, Green, Hinton, Martiny, Millbrook & Wheatland*)
- **PRE Audit** – The Equalization Department audits the Principal Residence Exemptions in Mecosta County.

Current Projects

The annual equalization process simply cycles from year to year as mandated by the Michigan State Assessment/Equalization Calendar. The department will begin selecting parcels after the approval of the 2016 County Equalization Report for the 2016 study year.